

DOCUMENT RESUME

00312 - [A1051882] (Restricted)

[Audit Report of Little League Baseball, Inc.]. E-55712. March 29, 1977. 2 pp.

Report to Rep. Peter W. Rodino, Jr., Chairman, House Committee on the Judiciary; by Robert F. Keller, Deputy Comptroller General.

Contact: Office of the General Counsel.

Budget Function: Miscellaneous: Financial Management and Information Systems (1002).

Organization Concerned: Little League Baseball, Inc.

Congressional Relevance: House Committee on the Judiciary.

Authority: (P.L. 88-378; 78 Stat. 325).

An audit report of Little League Baseball, Inc., was prepared by a firm of certified public accountants for the year ended September 30, 1976. Findings/Conclusions: The report includes a statement of the scope of audit and the auditor's opinion that the financial statements present fairly the financial position of Little League Baseball, Inc. The audit and financial reporting requirements of P.L. 88-378 have been met. The financial statements show that three employees at yearend were indebted to the Corporation for \$35,300 for home mortgage loans. This is a continuing practice of the Corporation. (RRS)

00312



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-55712

MAR 29 1977

The Honorable Peter W. Rodino, Jr.
Chairman, Committee on the Judiciary
House of Representatives

Dear Mr. Chairman:

As requested in your letter of February 24, 1977, we have reviewed the audit report of Little League Baseball, Incorporated, for the year ended September 30, 1976. Our review was directed to determining whether it complies with the financial reporting requirements set forth in Public Law 88-378, approved July 14, 1964 (78 Stat. 325), the act under which it was chartered.

The audit report was prepared by a firm of certified public accountants. It included a statement of the scope of audit and the auditor's opinion that the financial statements present fairly the financial position of Little League Baseball, Incorporated, at September 30, 1976, and the results of operations and changes in fund balances for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with the preceding year. In our opinion, the audit and financial reporting requirements of the act have been met.

Section 9(b) of the act of July 16, 1964, which granted the organization its Federal charter, provides:

"The corporation shall not make loans to its officers, directors or employees. Any director who votes for or assents to the making of a loan to an officer, director, or employee of the corporation, and any officer who participates in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof."

The financial statements and the notes thereto show that three employees at year-end were indebted to the corporation for \$35,300 in connection with home mortgage loans made to them by the corporation.

Since we had called this matter to the Committee's attention previously, we thought that you should know that the practice is continuing. The Committee may wish to call this matter to the attention of the corporation.

We are returning the audit report sent with your letter of February 24,
1977.

Sincerely yours,

R.F.KELLER

Deputy Comptroller General
of the United States

Enclosure